

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

---ooOoo---

**LARGE MINE RECLAMATION CONTRACT**

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **Geneva Rock Products, Inc.** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **M0490071** which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the land affected by the mining operations in accordance with the Act and regulations, and the Operator is obligated to provide a surety in form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the Act and regulations, as they may be amended, and in accordance with the mining and reclamation plan (Reclamation Plan) approved by the Division all of the lands affected by the mining operations conducted or to be conducted pursuant to the approved Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:

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**SEP 23 2009**

DIV. OF OIL, GAS & MINING

- A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and
  - B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the approved NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with an approved notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the approved NOI.
- 3. The Reclamation Plan is intended to establish methods, plans, specifications, and other details required by the Act and regulations as they pertain to the lands affected by mining operations, and no provision of the Reclamation Plan shall be interpreted to diminish the requirements of the Act and regulations. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI or Reclamation Plan, which are primarily intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
- 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
- 5. If the Surety expressly provides for cancellation or termination for non-renewal:
  - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or

B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act, the regulations, and the Reclamation Plan, as they may be amended. If the mining operations are modified or for any other reason vary from those described in the approved Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the approved Notice of Intention in accordance with the requirements of the Act and regulations, as amended and the Reclamation Plan, as amended. If the Division makes such finding, Operator may make request to the Division for a reduction in the amount of the surety. The Division, or the Board if the surety is in the form of a board contract, may permit such a reduction if it determines that the reduced amount will be adequate to ensure complete reclamation of the lands affected by the mining in accordance with the requirements of the Reclamation Plan, the rules and the Act, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to

maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.

10. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.
12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party, and that the Operator, if not a natural person, is an entity properly organized and in good standing under the laws of the United States and is registered with and authorized to do business in the State of Utah.

OPERATOR:

Geneva Rock Products, Inc.  
Operator Name

By Carl Clyde  
Authorized Officer (Typed or Printed)

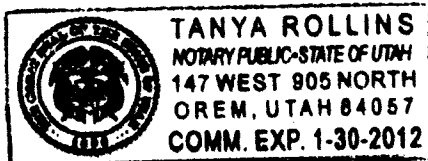
Vice President, Gravel and Asphalt Materials  
Authorized Officer - Position

Carl Clyde 9/22/09  
Officer's Signature Date

STATE OF Utah )  
COUNTY OF Utah ) ss:

On the 22 day of September, 20 09, Carl Clyde  
personally appeared before me, who being by me duly sworn did say that  
he/she is an officer (i.e. owner, officer, director,  
partner, agent or other (specify)) of the Operator and duly acknowledged that  
said instrument was signed on behalf of said Operator by authority of its bylaws,  
a resolution of its board of directors, or as may otherwise be required to execute  
the same with full authority and to be bound hereby.

Tanya Rollins  
Notary Public  
Residing at 147 W 905 N, Orem UT 84057  
My Commission Expires: 1/30/12



DIVISION OF OIL, GAS AND MINING:

By John R. Baza Date 9/30/09  
John R. Baza, Director

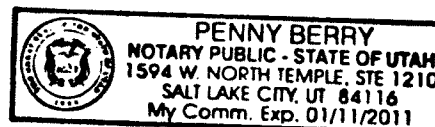
STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 30 day of September, 2009, John R. Baza  
personally appeared before me, who being duly sworn did say that he,  
the said John R. Baza is the Director of the Division of  
Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he  
duly acknowledged to me that he executed the foregoing document by authority  
of law on behalf of the State of Utah.

Penny Berry  
Notary Public

Residing at: Salt Lake

1/11/2011  
My Commission Expires:



# FACT SHEET

**Commodity:** Construction Aggregate

**Bonded Acres: 137 Acres**

**Mine Name:** Sage Canyon Mass Grading Project

Permit Number: M0490071

**County:** Utah County

**Operator Name:** Geneva Rock Products, Inc.

**Operator Address:** 1565 W. 400 N., Orem, Utah 84057

**Operator Phone:** 801-765-7800

**Operator Fax:** 801-765-7830

Operator Email: aschellenberg@genevarock.com

Contact Name: Mike Edwards

Contact Email: ccllyde@genevarock.com

Contact Phone: 801-281-7979

Surety Type: Bond

Bank: Travelers Casualty and Surety Company of America

Surety Amount: \$628,000

Account number: \_\_\_\_\_

**Tax ID (required for cash only):** \_\_\_\_\_

Escalation year: 2014

Surface Owner: Geneva Rock Products, Inc.

Mineral Owner: Geneva Rock Products, Inc.

UTU/ML number: M0490071

**\*\*\*DOGM Contact: Penny Berry, State of Utah, Division of Oil Gas and Mining, 801 538 5291 or [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov)**

May 24, 2006

Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number M/049/0071  
Mine Name Sage Canyon Gravel Pit

**ATTACHMENT A**  
**To**  
**RECLAMATION CONTRACT**  
**BETWEEN PRINCIPAL AND DIVISION**

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas and Mining**  
**1594 West North Temple Suite 1210**  
**Box 145801**  
**Salt Lake City, Utah 84114-5801**  
**Telephone: (801) 538-5291**  
**Fax: (801) 359-3940**

**THE UTAH MINED LAND RECLAMATION ACT**

**SURETY BOND**

\*\*\*\*\*

The undersigned Geneva Rock Products, Inc., as Principal,  
a Corporation organized under the laws of the State of Utah and  
Travelers Casualty & Surety Company of America, as Surety, a Corporation  
organized under the laws of the State of Connecticut, hereby jointly and severally bind ourselves,  
our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of  
Utah, Division of Oil, Gas and Mining ("Division") and \_\_\_\_\_  
(other agency, if any) in the penal sum of Six Hundred Twenty Eight Thousand Dollars and 00/100  
dollars (\$ 628,000.00).

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms  
and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be  
affected by mining operations as identified in the Notice of Intention received, or approved if  
applicable, by the Division on the 14th day of September, 20 09.

The lands that are covered by this Surety Bond are the Lands Affected by mining  
operations as defined and described in the above Notice, and the Mining and  
Reclamation Plan if required, subject to terms and conditions of the Reclamation  
Contract.

The condition of this obligation is that if the Division determines that Principal has satisfactorily  
reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or Notice and has  
faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules

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**SEP 23 2009**

**DIV. OF OIL, GAS & MINING**



and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

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MR-5  
Attachment A  
(revised May 24, 2006)

Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number M/049/0071  
Mine Name Sage Canyon Gravel Pit

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Geneva Rock Products, Inc.

Principal (Permittee)

Carl Clyde Vice President

By (Name and Title typed):

Carl Clyde  
Signature

September 14, 2009

Date

**Surety Company**

Travelers Casualty & Surety Company of America  
Surety Company Name

Construction Services, Travelers Bond & Financial Products

Street Address

One Tower Square, Hartford, CT 06185

City, State, Zip

801-685-6860

Phone Number

September 14, 2009

Date

Surety Company Officer

Title/Position

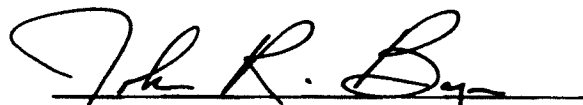
Douglas Snow  
Signature Douglas Snow, Attorney-in-Fact

Page 4  
MR-5  
Attachment A  
(revised May 24, 2006)

Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number M/049/0071  
Mine Name Sage Canyon Gravel Pit

SO AGREED this 30<sup>th</sup> day of September, 20 09.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

  
\_\_\_\_\_  
John R. Baza, Director  
Utah State Division of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

Bond Number \_\_\_\_\_  
Surety NAIC No. \_\_\_\_\_  
Permit Number M/049/0071  
Mine Name Sage Canyon Gravel Pit

### AFFIDAVIT OF QUALIFICATION

On the 14th day of September, 20 09, W. Douglas Snow  
personally appeared before me, who being by me duly sworn did say that he/she, the said  
W. Douglas Snow is the Attorney-in-Fact of  
Travelers Casualty & Surety Company of America and duly acknowledged that said instrument was signed on behalf  
of said company by authority of its bylaws or a resolution of its board of directors and said  
W. Douglas Snow duly acknowledged to me that said company executed the same, and that  
he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized  
to execute the same and has complied in all respects with the laws of Utah in reference to becoming  
sole surety upon bonds, undertaking and obligations.

Signed: [Signature]  
Surety Officer

Title: Attorney-in-Fact

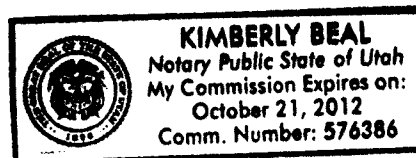
STATE OF Utah )  
 ) ss:  
COUNTY OF Salt Lake )

Subscribed and sworn to before me this 14th day of September, 20 09.

[Signature]  
Notary Public  
Residing at: Salt Lake City, UT

My Commission Expires:

10-21, 20 12



**TRAVELERS****POWER OF ATTORNEY**

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 St. Paul Fire and Marine Insurance Company  
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 219509

Certificate No. 003099615

**KNOW ALL MEN BY THESE PRESENTS:** That St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

W. Douglas Snow, D. Cory Payne, James H. Dickson, Randall J. Austin, Aaron Griffith, Mark J. Austin, Susan R. Smith, and Barbara J. Carter

of the City of Murray, State of Utah, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 31st day of July, 2008

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 St. Paul Fire and Marine Insurance Company  
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company



State of Connecticut  
 City of Hartford ss.

By:

*George W. Thompson*  
 George W. Thompson, Senior Vice President

On this the 31st day of July, 2008, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.  
 My Commission expires the 30th day of June, 2011.



*Marie C. Tetreault*  
 Marie C. Tetreault, Notary Public

**ACORD CERTIFICATE OF LIABILITY INSURANCE**OP IDNY  
GENRO-1DATE (MM/DD/YYYY)  
09/16/09

## PRODUCER

Beehive Insurance Agency, Inc.  
P O Box 571431  
Murray UT 84157-1431  
Phone: 801-685-6860 Fax: 801-685-2899

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

## INSURED

Geneva Rock Products, Inc.  
c/o Clyde Companies, Inc.  
P. O. Box 538  
Orem UT 84059

## INSURERS AFFORDING COVERAGE

## NAIC #

INSURER A	The Travelers Indemnity Co	19046
INSURER B	Travelers Prop/Casualty	19046
INSURER C	Ins Co of the St of PA	19429
INSURER D	The Phoenix Insurance Co	19046
INSURER E		

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADOL INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liab. GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		01/01/09	01/01/10	EACH OCCURRENCE \$ 2000000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300000 MED EXP (Any one person) \$ 5000 PERSONAL & ADV INJURY \$ 1000000 GENERAL AGGREGATE \$ 5000000 PRODUCTS - COMP/OP AGG \$ 5000000
B		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS		01/01/09	01/01/10	COMBINED SINGLE LIMIT (Ea accident) \$ 1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY EA ACC \$ AGG \$
C		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$		01/01/09	01/01/10	EACH OCCURRENCE \$ 25000000 AGGREGATE \$ 25000000 \$ \$ \$
D		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER		01/01/09	01/01/10	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E L EACH ACCIDENT \$ 500000 E L DISEASE - EA EMPLOYEE \$ 500000 E L DISEASE - POLICY LIMIT \$ 500000

## DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Subject to the terms, conditions and exclusions of the policy. State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining are listed as additional insured where required by written contract as respects general liability.

RE: Sage Canyon Gravel Pit

## CERTIFICATE HOLDER

State of Utah, Department  
of Natural Resources  
Division of Oil, Gas & Mining  
P O Box 145801  
Salt Lake City UT 84114-5801

STUTAH1

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION

DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL

10 DAYS WRITTEN

NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL

IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR

REPRESENTATIVES

RECEIVED

SEP 23 2009

W Douglas Snow

CORPORATION 1988

ACORD 25 (2001/08)

DIV. OF OIL, GAS &amp; MINING

## **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**BLANKET ADDITIONAL INSURED  
(CONTRACTORS)**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a “written contract requiring insurance” to include as an additional insured on this Coverage Part, but:
  - a) Only with respect to liability for “bodily injury”, “property damage” or “personal injury”; and
  - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of “your work” to which the “written contract requiring insurance” applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
  - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the “written contract requiring insurance”, the insurance provided to the additional insured shall be limited to the limits of liability required by that “written contract requiring insurance.” This endorsement shall not increase the limits of insurance described in Section III – Limits of Insurance.
  - b) The insurance provided to the additional insured does not apply to “bodily injury”, “property damage” or “personal injury” arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
    - i. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
    - ii. Supervisory, inspection, or architectural or engineering activities.
3. The insurance provided to the additional insured by this endorsement does not apply to “bodily injury” or “property damage” caused by “your work” and included in the “products-completed operations hazard” unless the “written contract requiring insurance” specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such “bodily injury” or “property damage” that occurs before the end of the period of time for which the “written contract requiring insurance” requires you to provide such coverage or the end of the policy period, whichever is earlier.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible “other insurance”, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the “written contract requiring insurance” specifically requires that this insurance apply on a primary and non-contributory basis, this insurance is primary to “other insurance” available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that “other insurance”. But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible “other insurance”, whether primary, excess, contingent or on any other basis, that is available to the additional insured when



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that person or organization is an additional insured under such "other insurance".

4. As a condition of coverage provided to the additional insured by this endorsement:

- a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
  - i. How, when and where the "occurrence" or offense took place;
  - ii. The names and addresses of any injured persons and witnesses; and
  - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
  - i. Immediately record the specifics of the claim or "suit" and the date received; and
  - ii. Notify us as soon as practicable.
- c) The additional insured must immediately send us all copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.

- d) The additional insured must tender the defense and indemnity of any claim or "suit" to any provided of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this conditions does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V.  
– DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed.

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.